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**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re:

CELSIUS NETWORK LLC, *et al.*,<sup>1</sup>

Debtors.

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)  
) Chapter 11  
)  
) Case No. 22-10964 (MG)  
)  
) (Jointly Administered)  
)

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**NOTICE REGARDING COMMENCEMENT OF DISTRIBUTION  
OF CRYPTOCURRENCY TO HOLDERS OF CUSTODY CLAIMS**

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**PLEASE TAKE NOTICE** that on September 27, 2023, the above-captioned debtors and debtors in possession (collectively, the “Debtors”) filed the *Modified Joint Chapter 11 Plan of Reorganization of Celsius Network LLC and Its Debtor Affiliates* [Docket No. 3577] (as may be modified, amended, or supplemented from time to time, the “Plan”).<sup>2</sup>

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); Celsius US Holding LLC (7956); GK8 Ltd. (1209); GK8 UK Limited (0893); and GK8 USA LLC (9450). The location of Debtor Celsius Network LLC’s principal place of business and the Debtors’ service address in these chapter 11 cases is 50 Harrison Street, Suite 209F, Hoboken, New Jersey 07030.

<sup>2</sup> Capitalized terms not immediately defined have the meaning ascribed to them in the Plan, the Confirmation Order (as defined herein), the *Disclosure Statement for the Joint Chapter 11 Plan of Reorganization of Celsius Network LLC and Its Debtor Affiliates* [Docket No. 3332], or the *Order (I) Approving the Adequacy of the Debtors’ Disclosure Statement, (II) Approving the Solicitation and Voting Procedures with Respect to Confirmation of the Debtors’ Joint Chapter 11 Plan of Reorganization, (III) Approving the Form of Ballots and Notices in Connection*

**PLEASE TAKE FURTHER NOTICE** that on November 9, 2023, the Court entered the *Findings of Fact, Conclusions of Law, and Order Confirming the Modified Joint Chapter 11 Plan of Celsius Network LLC and Its Debtor Affiliates* [Docket No. 3972] (the “Confirmation Order”), approving the modified version of the Plan attached thereto as Exhibit A and authorizing the Debtors to “begin preparations for distributions under the Plan” and to “take such actions as are necessary or appropriate to prepare for such distributions” in accordance with the Plan. *See* Confirmation Order ¶¶ 259, 305. Pursuant to the Plan and Confirmation Order, the Debtors are authorized to commence distributions on account of Custody Claims following entrance of the Confirmation Order. *See* Plan, Art. VI.A.

**PLEASE TAKE FURTHER NOTICE** that, pursuant to the Plan and Confirmation Order, customers of the Custody Program, who are Holders of Class 6A General Custody Claims<sup>3</sup> and/or Class 6B Withdrawable Custody Claims<sup>4</sup> under the Plan (collectively, “Holders of Custody Claims”),<sup>5</sup> will be able to withdraw their digital assets from the Celsius platform commencing on or around Wednesday, November 29, 2023. Please note that because the Debtors expect to receive a high number of withdrawal requests and are committed to ensuring accurate and safe withdrawals off of their platform, any such withdrawals may not be processed immediately upon request.

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*Therewith, (IV) Scheduling Certain Dates with Respect Thereto, (V) Authorizing and Approving Reimbursement of Certain of the Plan Sponsor’s Fees and Expenses, and (VI) Granting Related Relief* [Docket No. 3337].

<sup>3</sup> “General Custody Claim” means any Custody Claim that is not a Withdrawable Custody Claim, less any amounts withdrawn under the Custody Settlement Order. *See* Plan, Art. I.A.122.

<sup>4</sup> “Withdrawable Custody Claim” means, collectively, all Pure Custody Claims and Eligible Transferred Custody Claims that are eligible for withdrawal under the Custody Settlement Order. *See* Plan, Art. I.A.272.

<sup>5</sup> “Custody Claim” means any Claim on account of Cryptocurrency transferred into the Custody Program. *See* Plan, Art. I.A.72.

**PLEASE TAKE FURTHER NOTICE** that, pursuant to the Plan, the following distribution parameters shall apply to Holders of Class 6A General Custody Claims:

- Holders of Class 6A General Custody Claims that did not participate in the Custody Settlement in accordance with the Custody Settlement Order and *that voted to accept the Plan* will be able to withdraw their Custody Assets and will receive Treatment A: (a) a distribution of “in kind” Cryptocurrency equal to 72.5% of the amount of such Allowed General Custody Claim and (b) a full release of all Causes of Action, including Avoidance Actions, with respect to such Allowed General Custody Claim. *See* Plan, Art. III.B.6A.
- Holders of Class 6A General Custody Claims that did not participate in the Custody Settlement in accordance with the Custody Settlement Order and *that voted to reject the Plan or abstained from voting on the Plan* are not entitled to receive a distribution at this time. *See id.* Instead, the Cryptocurrency associated with such Holders’ Class 6A General Custody Claims will receive Treatment B: such Cryptocurrency will be transferred to a segregated wallet held by the Post-Effective Date Debtors, be subject to all applicable Avoidance Actions and other claims, and be handled by the Litigation Administrator(s).
- Pursuant to the Plan, the Litigation Administrator will have 180 days from the Effective Date (such time period being subject to extension by the Bankruptcy Court following notice and a hearing) to bring any Avoidance Action or other claim against such Holder whose General Custody Claim receives Treatment B. To the extent no such action is brought, and no settlement is reached in that time period, the Custody Assets associated with such Holder’s Class 6A

General Custody Claim will be released to such Holder. *See id.* For the avoidance of doubt, Holders of General Custody Claims that receive Treatment B will not receive distributions prior to the Deactivation Date. Furthermore, any distributions to Holders of General Custody Claims that receive Treatment B will not receive such distributions “in-kind” from the Celsius platform.

- Finally, Holders of Class 6A General Custody Claims *that participated in the Custody Settlement* will receive a distribution equal to the amount set forth in Treatment A minus any amounts already received under the Custody Settlement (if any). *See id.*

**PLEASE TAKE FURTHER NOTICE** that, pursuant to the Plan, *all* Holders of Class 6B Withdrawable Custody Claims that are not Equitably Subordinated Claims<sup>6</sup> will be able to withdraw their Cryptocurrency in accordance with the Custody Withdrawal Order. *See* Plan, Art. III.B.6B. For the avoidance of doubt, and pursuant to the Plan, any Holder of a Class 6B Withdrawable Custody Claim that also has an outstanding Retail Advance Obligation is also eligible to withdraw the Cryptocurrency associated with such Holder’s Class 6B Withdrawable Custody Claim. *See id.*

**PLEASE TAKE FURTHER NOTICE** that, as permitted by the Plan, gas fees and/or transaction costs (or a fee approximating such costs) necessary to effectuate the distributions of Cryptocurrency to Holders of Custody Claims will be subtracted from the Cryptocurrency

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<sup>6</sup> “Equitably Subordinated Claims” means (a) those Claims identified by the Committee and agreed by the Debtors to be subordinated pursuant to the Plan, which shall be identified on the Schedule of Equitably Subordinated Claims and shall include Claims on account of the Goldstein Loan and the Leon Loan and (b) all other Claims, however classified under this Plan, of Persons or Entities whose Claims are identified on the Schedule of Equitably Subordinated Claims, unless otherwise expressly provided therein. *See* Plan, Art. I.A.108. The Schedule of Equitably Subordinated Claims was filed on August 13, 2023 as Exhibit B to the *Second Notice of Filing of Plan Supplement* [Docket No. 3273].

available for distribution (such fees, the “Withdrawal Fees”). Withdrawal Fees will be charged on a “per withdrawal” basis based on the Withdrawal Fees listed below. Based on market fluctuations, the Debtors anticipate that Withdrawal Fees will be adjusted every thirty days, as applicable. Pursuant to the Plan, no Cryptocurrency shall be permitted to be withdrawn unless the account balance of the Holder is sufficient to satisfy any Withdrawal Fees. *See* Plan, Art. VI.F.3. The initial Withdrawal Fees associated with each Cryptocurrency are set forth below:<sup>7</sup>

<b>Component</b>	
<b>Fixed Administrative Costs (KYC), Vendor Fee</b>	<b>\$1.00</b>
<b>Variable Network Fee (Updated Monthly)</b>	
BTC	\$4.25
ETH	\$2.90
ERC-20	\$5.20
Alt Coins	\$1.20-\$5.20
<b>Total Withdrawal Fee</b>	
BTC	\$5.25
ETH	\$3.90
ERC-20	\$6.20
Alt Coins	\$2.20-\$6.20

**PLEASE TAKE FURTHER NOTICE** that on or around November 29, 2023, Holders of Custody Claims eligible to receive Plan distributions at this time will receive email and Celsius app communications from the Debtors informing such Holders that the Cryptocurrency associated with their Custody Claims is available for withdrawal from the Celsius platform. Prior to any withdrawals being processed, and if not previously completed, Holders will be asked to update

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<sup>7</sup> For the avoidance of doubt, in the event that any gas fee exceeds the ranges set forth herein, the Debtors shall be permitted to charge the withdrawing party the entire amount of the gas fee.

their Celsius account with certain required information to process withdrawals, including specific customer data related to Anti-Money Laundering (AML) and Know Your Customer (KYC) information, and information regarding the destination address of the withdrawal (the “Required Account Updates”). *Unless and until a Holder updates his or her account with the Required Account Updates, such Holder will be unable to withdraw his or her Custody Assets from the Debtors’ platform.*

PLEASE TAKE FURTHER NOTICE that, pursuant to the Plan, Holders of Custody Claims will be able to withdraw Custody Assets eligible for distribution from the Celsius platform for *ninety days from the date distributions are enabled* (i.e., until on or around February 28, 2024; such date, the “Deactivation Date”); *provided* that the Debtors may, in consultation with the Committee, elect to continue distributions from the Celsius platform for more than ninety days.<sup>8</sup> See Plan, Art. I.A.83. On the Deactivation Date, the Celsius platform will cease to exist and Account Holders will no longer be able to log in to the Celsius platform and/or access their Celsius Account. See Plan, Art. IV.D. Furthermore, any Custody Assets eligible for distribution under the Plan that have not been withdrawn from the Celsius platform by the Deactivation Date shall be valued on the Deactivation Date in accordance with the Deactivation Date Cryptocurrency Conversion Table<sup>9</sup> and will be distributed to Holders of Custody Claims by the Distribution Agent

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<sup>8</sup> The Debtors or Post-Effective Date Debtors (as applicable) will announce the exact Deactivation Date in a notice filed on the docket at least seven (7) days in advance thereof. See Plan, Art. I.A.83.

<sup>9</sup> “Deactivation Date Cryptocurrency Conversion Table” means the conversion table the Distribution Agent shall use to calculate the Claims of Holders of Allowed Custody Claims that did not retrieve their Plan distribution from the Celsius platform by the Deactivation Date in Cash and Liquid Cryptocurrency, which table shall contain applicable Cryptocurrency prices as of a date agreed by the Debtors and the Committee, which date is expected to be approximately fifteen (15) days prior to the Deactivation Date. Notwithstanding anything to the contrary herein excepting Custody Claims from the CEL Token Settlement, the Deactivation Date Cryptocurrency Conversion Table shall provide that CEL Token is priced at \$0.25 in accordance with the CEL Token Settlement approved by the Bankruptcy Court. For the avoidance of doubt, following the Deactivation Date, such Claims

in Liquid Cryptocurrency or fiat. *See* Plan, Art. IV.D. ***For the avoidance of any doubt, the Debtors or Post-Effective Date Debtors, as applicable, may elect in their reasonable discretion to make any distribution in fiat if no Distribution Agent is reasonably available to make a Liquid Cryptocurrency distribution to any particular Holder.***<sup>10</sup> *See id.*

**PLEASE TAKE FURTHER NOTICE** that, except as otherwise provided for in the Plan, distributions to Holders of Allowed Claims or Allowed Interests shall be made to Holders of record as of the Distribution Record Date, which is the Confirmation Date (*i.e.*, November 9, 2023). *See* Plan, Art. VI.F. If a Claim was transferred twenty or fewer days before the Distribution Record Date, distributions will be made to the transferee of such Claim only to the extent practicable, and in any event, only if the relevant Claim transfer form contains an unconditional and explicit certification and waiver of any objection to the transfer by the transferor. The Debtors do not have any obligation to recognize any transfer of Claims or Interests occurring on or after the Distribution Record Date. *See id.*

**PLEASE TAKE FURTHER NOTICE** that any Holders of Custody Claims with questions related to this Notice may contact the Debtors at CelsiusCreditorQuestions@kirkland.com.

**PLEASE TAKE FURTHER NOTICE** that, in light of ongoing phishing scams, the Debtors encourage all Holders of Claims to exercise caution when taking actions to receive their distributions. Please note that all distributions of Custody Assets (until the Deactivation Date, as

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shall be subject to further conversion pursuant to any applicable Distribution Cryptocurrency Conversion Table in connection with subsequent distributions. *See* Plan, Art. I.A.84.

<sup>10</sup> Any Cash payment to be made under the Plan may be made, at the option of the Distribution Agent, by check, wire transfer, or ACH. *See* Plan, Art. VI.G.

discussed above) will be conducted through the Celsius App only, and please do not provide wallet information or other personal information outside of the Celsius App. For purposes of Custody distributions, the Debtors will not request wallet information or other personal information via email and will instead direct you to the Celsius App only.

**PLEASE TAKE FURTHER NOTICE** that the Confirmation Order, Plan, and other pleadings filed in the above-captioned chapter 11 cases may be obtained free of charge by visiting the website of Stretto at <http://www.cases.stretto.com/Celsius>. You may also obtain copies of any pleadings by visiting the Court's website at <http://www.nysb.uscourts.gov> in accordance with the procedures and fees set forth therein.

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New York, New York  
Dated: November 28, 2023

/s/ Joshua A. Sussberg

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